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ENVIRONMENTAL CONSULTANTS

October 30, 2009

Ms. Ashley Holt, P.G.
Manager, State Remediation Program
Division of Solid Waste Management
Tennessee Department of Environment and Conservation
5th Floor, L&C Tower
401 Church Street
Nashville, Tennessee 37243-1535

**Re: Interim Measures Update/Completeness Determination
Solvent Release Response and Remedial Action
Egyptian Lacquer Manufacturing Company, Franklin, Tennessee**

Dear Ms. Holt:

TriAD Environmental Consultants, Inc., ("TriAD") has prepared this letter report on behalf of the Egyptian Lacquer Manufacturing Company ("ELMCO"), and through ELMCO's attorneys at Stites & Harbison, PLLC ("Stites"), to formally update the Tennessee Department of Environment and Conservation ("TDEC") on the completion status of ELMCO's implementation of certain interim remedial measures in response to ELMCO's accidental subsurface release of solvents from its manufacturing plant located at 113 Fort Granger Drive in Franklin, Tennessee. We are also asking with this letter formal acknowledgement from TDEC that these interim measures have been properly implemented, and in some cases completed, to TDEC's satisfaction, and that ELMCO remains in compliance with the administrative order issued by TDEC.

As you know, ELMCO has been working with TDEC since January 2007 on various investigation, remediation, public involvement, and other efforts to address the solvent release and the unfortunate migration of solvent constituents into the groundwater and thence into Liberty Creek and the Harpeth River. On June 1, 2007, ELMCO entered into a *Consent Agreement and Order* ("CAO", Case No. 07-R0134) with TDEC that has principally directed our efforts since. In late 2008 – following ELMCO's submission of a Revised Corrective Action Plan, a public meeting and comment period to receive public comments on that plan, and TDEC's evaluation of that plan – ELMCO and TDEC agreed to suspend the process of finalizing a corrective action plan until several interim measures could be implemented and evaluated. Those seven specific interim measures were described in TDEC's *ELMCO Status Report – November 2008* as "steps that must be taken before selecting a final corrective action strategy for this site". Starting even before

that TDEC report was issued, ELMCO and its consulting and attorney representatives from TriAD and Stites have worked with TDEC representatives to plan and implement these seven interim measures – including in some cases the submission of formal work plans and reports.

Following is a description of the completion status for each of the seven interim measures required of ELMCO in TDEC's *ELMCO Status Report – November 2008*:

1. Additional soil and groundwater investigations to define the extent of solvent contamination in the soil and ground water in the vicinity of ELMCO

The soil and groundwater investigations necessary to define the extent of solvent contamination in soils and groundwater have been completed. We understand that groundwater monitoring will continue to be performed to evaluate the stability and degradation of the groundwater contaminant plume, and that certain additional soil investigations may be needed in the Source Area at the ELMCO facility to evaluate the need for, and if necessary the design and performance of, additional remedial efforts to ensure that these soils no longer release significant contamination to the underlying groundwater (see also Item 5 below). However, the investigations to define the extent of soil and groundwater contamination are complete.

2. Soil Gas Survey in the Daniels Drive area to determine if there are solvent vapors in local soil that could adversely impact local human health (and associated subsurface rock structure evaluation)

This work has been completed. We prepared and submitted a work plan, received work plan approval from TDEC, implemented the approved work plan, and have submitted detailed reports on both the soil gas investigation and the bedrock evaluation. Our report on the soil gas investigation also incorporated and addressed the comments that TDEC had received from TDEC's risk assessment consultant (SAIC) and the Tennessee Department of Health. We concluded that subsurface vapors do not pose a significant risk to the Daniels Drive residents and that no further efforts to address such risks are needed. We are currently awaiting TDEC's conclusions.

3. Trench rehabilitation into a closed collection system and continued operation to intercept and collect free-product solvent migrating into Liberty Creek

The trench rehabilitation work was principally completed in late 2008 by TDEC contractors. ELMCO completed installation of an automated pumping system and initiated groundwater pumping and free-product solvent recovery operations in April 2009, and those operations are continuing when not restricted by high groundwater conditions. Rehabilitation of the former trench was completed with the completion of the site restoration efforts described in Item 4 below.

4. Management of soil stockpiles from trench excavations to rehabilitate the trench and contour the former trench and soil stockpile area in a manner acceptable to the property owner.

This work has been completed. As described in Item 3 above, much of the trench rehabilitation work had been completed by TDEC contractors in late 2008. The remaining site restoration work was completed in accordance with a plan approved by the property owner, and to his apparent satisfaction, on October 13, 2009 (pending vegetative growth).

5. Install and operate a Dual Phase Soil Vapor Extraction System in the Source Area at the ELMCO facility to remove solvent vapors and liquid solvent from subsurface soil and ground water and lower the amount of solvent migrating from the source area via the groundwater into Liberty Creek and the Harpeth River.

This work has been completed. Using the existing groundwater monitoring wells and multiple vapor extraction wells installed in two separate phases along with vapor extraction/management equipment contracted from EcoVac Services, ELMCO performed several phases of vapor and/or liquid extraction from the Source Area and was successful at removing several thousand gallons of solvent constituents. These efforts were terminated in June 2009 with the determinations that (1) solvent concentrations in soils have dropped below the point where vapor extraction is cost-effective, and (2) there are no more floating free-product deposits in the Source Area that are amenable to removal by vapor extraction. We continue to monitor groundwater in the Source Area to determine if the soils are still releasing significant contamination to the underlying groundwater and additional remediation efforts are needed. However, it is very unlikely that any such additional remediation efforts would involve further vapor extraction alone.

6. Continued monitoring of water quality in Liberty Creek and the Harpeth River to evaluate solvent constituent concentrations and the effectiveness of remedial efforts.

This work is ongoing. In accordance with plans approved by TDEC, we have and will continue to collect and analyze water samples from various seep and surface water monitoring points and to evaluate and report the results to TDEC.

7. Operation of a real-time vapor monitoring system at the BGA Lower School to enable faculty and student evacuation or other appropriate actions to ensure protection from organic vapors.

This interim measure should be considered complete. ELMCO provided the funds to BGA to purchase and install such a system, and it is our understanding that it has been and is being operated. It should be noted that the organic vapor risks to

school personnel have greatly diminished over time as the free-product solvent discharges into Liberty Creek have declined. The completed rehabilitation of the former open trench into a closed collection system has further reduced such risks. We believe that current and foreseeable conditions are such that this real-time monitoring is no longer needed.

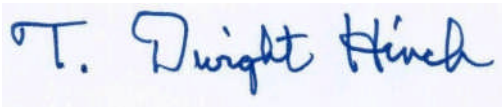
As described above, and except for those that are intended to be ongoing, we have determined that these interim measures have been completed. **We are therefore requesting TDEC's concurrence with this determination or an identification of any interim measure work elements TDEC believes are still incomplete.**

ELMCO continues to operate under the CAO. Our review of activities and actions required by the CAO finds that ELMCO continues to be in compliance with its terms and conditions. Further, we do not believe any amendments to the Consent Order are necessary to develop the final remedy. **We are therefore requesting a similar status report from TDEC on ELMCO's compliance with the CAO, either concurring with our determination or identifying specific deficiencies.**

Please provide us with a letter responding to the above requests. Please let us know if we can provide any additional information.

Sincerely,

TriAD Environmental Consultants, Inc.



T. Dwight Hinch
Senior Project Manager

CC: Kerry Mattox
Bill Penny
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Joe Sanders